

BEFORE THE
PUBLIC SERVICE COMMISSION OF WISCONSIN

Annual Reports for the Year Ended December 31, 2004, Filed by
Incumbent Local Exchange Carriers on a Confidential Basis

INFORMATION REGARDING CONFIDENTIAL FILINGS

This information is being provided to assist incumbent local exchange carriers (LECs) who wish to request confidential handling of portions of their LEC annual reports. The statutory filing date for the LEC annual report covering 2004 calendar year operations was April 1, 2005;¹ 85 LECs were required to file this report for the 2004 calendar year.² The Commission has the authority to compel the filing of this annual report pursuant to Wis. Stat. § 196.07.³

The 2004 LEC annual report is contained in the 2004 Annual Report Program for LECs. As a result of informal discussions with selected industry representatives, a number of changes from the 2003 LEC annual report are reflected in the 2004 LEC report.⁴ The changes, as detailed on the Commission's web page, include schedule additions, deletions, and modifications. Extensive revisions were required in the

¹ Due to the delay in the release of the 2004 LEC annual report program, the due date for the 2004 LEC annual report was extended to May 10, 2005.

² All LECs have filed the required 2004 LEC annual report with the Public Service Commission of Wisconsin. Those entities do not need to take any additional action at this time.

³ Wis. Stat. § 196.07 provides in part: (1) Each public utility shall close its accounts annually on December 31 and promptly prepare a balance sheet of that date. On or before the following April 1 every public utility shall file with the commission the balance sheet together with any other information the commission prescribes, verified by an officer of the public utility. The commission, for good cause shown, may extend the time for filing the balance sheet and prescribed information.

⁴ The 2004 LEC annual report also requires LEC entities to report all dollar amounts to the nearest thousand dollars. (Example: \$130,000 should be reported as \$130. Dollar signs or commas should not be typed when entering dollar amounts or numbers in the program.)

Information Regarding 2004 LEC Annual Report Confidential Filings

financial portion of the report due to the Commission's adoption, effective January 1, 2004, of revisions to the Uniform System of Accounts (USOA) for Class A and Class B Telephone Utilities. The Commission's order dated January 14, 2005, in docket 05-US-116, authorized accounts 1406, Nonregulated Investments, and 7990, Nonregulated Net Income, for all LECs other than Wisconsin Bell, Inc. and Verizon North Inc. Due to this modification, the format of several schedules (i.e., plant in service, accumulated depreciation, deferred taxes, expenses, and other income accounts) was changed from 2003 in that the 2004 report builds up from the respective total company balance(s) and subtracts the nonregulated amount(s) to derive net regulated amounts.

For the 2004 LEC annual report program, which was released on March 15, 2005, the Commission has continued a paperless filing process. The 2004 LEC program contains capability allowing users to file selected portions of the report on a provisional confidential basis as detailed below.⁵

Based on the authority delegated to the Administrator of the Telecommunications Division on March 11, 2004, the complete list of items eligible for provisional confidential treatment in the 2004 LEC annual report program consists of the following schedules and identified information:

1. Important Changes During the Year Schedule (p. 13) - Item 1, "Estimated increase or decrease in annual revenues due to important rate changes, giving bases of estimates. Provide details and dollar amounts for

⁵ The 2004 LEC annual report program contains padlocks allowing users to file selected information on a confidential basis. However, a particular item is only accorded provisional confidential treatment if the padlock associated with that item is locked.

Information Regarding 2004 LEC Annual Report Confidential Filings

increases and decreases, respectively, by revenue category noted on

Operating Revenues schedule.”

2. Affiliated Interest Transactions Schedule (p. 15).
 - a. Total Dollar Activity (000's);
 - b. Percent of affiliate's business billed to all affiliated regulated utilities; and
 - c. If cost based, rate of return on equity or markup incorporated in billings.
3. Affiliated Assets and Liabilities Schedule (Balance End of Year (EOY) (000's) column) (p. 16) - Respective Balance EOY amounts.
4. Revenues Schedule (This Year (000's) and Last Year (000's) columns) (p. 40).
 - a. Miscellaneous Revenue (5200)*;
 - b. Directory Revenue (5230); and
 - c. Nonregulated Operating Revenue (5280)*.
5. Calculation of Assessable Revenues for Universal Service Fund Assessment Purposes (This Year (000's) column) (p. 43).
 - a. Plus: Intrastate Payphone Revenues;
 - b. Plus (or Less) Other; and
 - c. Assessable Revenues for Universal Service Fund Assessment Purposes (if at least one of the earlier items in this schedule was accorded confidential treatment).

Information Regarding 2004 LEC Annual Report Confidential Filings

6. Nonregulated Activities Schedule (p. 45) - Respective nonregulated activities other than Customer Premises Equipment (CPE), Inside Wiring, and Payphones.
7. Telephone Calls and Minutes of Use Per Month Schedule (Telephone Calls (000's) and Minutes of Use (000's) columns) (p. 47) - Only for those LECs with three or less exchanges.
 - a. Extended Community Calling; and
 - b. Other Local-Undefined.
8. Access Usage Schedule (Billed Minutes (000's) by Jurisdiction – Interstate; Intrastate; InterLATA; IntraLATA) (p. 48) - Only for those LECs with three or less exchanges.
 - a. Feature Group A & B – Orig.;
 - b. Feature Group A & B – Term.;
 - c. Feature Group C – Orig.;
 - d. Feature Group C – Term.;
 - e. Feature Group D – Orig.; and
 - f. Feature Group D – Term.
9. Special Access Circuits in Use at End of Year Schedule (InterLATA and IntraLATA Channel Terminations columns) (p. 49) - Only for those LECs with three or less exchanges.
 - a. Voice grade;
 - b. 56/64 kbps (DS0);

Information Regarding 2004 LEC Annual Report Confidential Filings

- c. 1.54 Mbps (DS-1);
 - d. 45 Mbps (DS-3);
 - e. SONET OC-1 (51.84 Mbps);
 - f. SONET OC-3 (155.52 Mbps);
 - g. SONET OC-12 (622.08 Mbps);
 - h. SONET OC-48 (2.488 Gbps);
 - i. SONET OC-192 (9.953 Gbps); and
 - j. SONET OC-768 (39.812 Gbps).
10. Service Data Schedule (Total Company First of Year (FOY) and End of Year (EOY) columns) (p. 50) - Only for those LECs with three or less exchanges.
- a. Business Category.
 - 1) 1 Party;
 - 2) PBX Trunks/Centrex & Key System Trunks;
 - 3) Centrex Lines;
 - 4) FX-Out (Switched);
 - 5) Pay Telephone; and
 - 6) Other.
 - b. Residential (Incl. Emp. Concess.) Category.
 - 1) 1 Party;
 - 2) FX-Out (Switched); and
 - 3) Other.

Information Regarding 2004 LEC Annual Report Confidential Filings

- c. Miscellaneous.
 - 1) WATS Lines – OutWATS;
 - 2) WATS Lines – 800 Service;
 - 3) FX-In-intraLATA;
 - 4) Special Access – intraLATA;
 - 5) Special Access – interLATA;
 - 6) Feature Group C Trunks;
 - 7) Feature Group D Trunks;
 - 8) TSPS – Trunks; and
 - 9) Cellular Trunks (Pub. Sw. Net.).

11. Service Data - End of Year Schedule (All columns by Exchange) (p. 52).

- a. Business Category.
 - 1) 1 Party;
 - 2) PBX Trunks/Centrex & Key System Trunks;
 - 3) Centrex Lines;
 - 4) FX-Out (Switched);
 - 5) Pay Telephone;
 - 6) Other; and
 - 7) Total Business Lines.
- b. Residential (Incl. Empl. Concess.) Category.
 - 1) 1 Party;
 - 2) FX-Out (Switched);

Information Regarding 2004 LEC Annual Report Confidential Filings

- 3) Other; and
 - 4) Total Residential Lines.
 - c. Other Lines Category.
 - 1) Total Bus & Res Lines;
 - 2) Company Total Lines Used; and
 - 3) Total Lines Used.
 - d. Miscellaneous.
 - 1) WATS Lines – OutWATS;
 - 2) WATS Lines – 800 Service;
 - 3) FX-In-intraLATA;
 - 4) Special Access – intraLATA;
 - 5) Special Access – interLATA;
 - 6) Feature Group C Trunks;
 - 7) Feature Group D Trunks;
 - 8) TSPS – Trunks;
 - 9) EAS and ECC – Trunks; and
 - 10) Cellular Trunks (Pub. Sw. Net.).
 - e. Other.
 - 1) Exchange Square Miles; and
 - 2) Exchange Route Miles.
12. Central Office Data - End of Year Schedule (p. 55).
- a. Access Lines - In Use;

Information Regarding 2004 LEC Annual Report Confidential Filings

- b. Trunks - In Use;
- c. ISDN Lines - In Use (BRI);
- d. ISDN Lines - In Use (PRI);
- e. DSL - In Use (# lines);
- f. Digital Service Available: DS-1 - In Use;
- g. Digital Service Available: DS-3 - In Use;
- h. Digital Service Available: OC-3 - In Use;
- i. Fiber Transmission Facilities: No. of fiber strands entering C.O.;
- j. Fiber Transmission Facilities: No. of fiber strands working (LIT) in C.O.;
- k. Fiber Transmission Facilities: No. of fiber strands for interoffice use;
- and
- l. Fiber Transmission Facilities: Miles of fiber sheath in wire center.

Unless an LEC desires additional provisional confidential treatment of any portion of the 2004 LEC annual report, all 2004 LEC annual report filings must be accomplished via the 2004 LEC annual report program's e-mail capabilities with an encrypted, zipped attachment containing the exported 2004 annual report information, together with an export status report, edit check listing, and listing of schedules with confidential locks.⁶

Filing of the 2004 LEC annual report using the 2004 LEC annual report program will result in the remaining portions of the report being available to the public. Any LEC wishing to

⁶ Program instructions direct that if a user desires additional provisional confidential treatment above that provided in the LEC annual report form, the user should not electronically file the annual report. Instead, the user should follow the required manual filing procedures posted on the Commission's web page (<http://psc.wi.gov>) for filing via the Electronic Regulatory Filing (ERF) System.

Information Regarding 2004 LEC Annual Report Confidential Filings

file additional portions of its 2004 LEC annual report on a confidential basis should note the particular procedures, as detailed on the Commission's web page, which must be followed for a manual annual report filing. Any LEC wishing additional confidential handling must submit a request, in accordance with Wis. Admin. Code § PSC 2.12, as part of their ERF manual filing. Subsequent to such manual filing, the Commission will issue a confidentiality determination in accordance with the rule. If the Commission denies a request for confidential handling, the information will be handled confidentially until 14 days after the determination, after which it will be posted on the Commission's website along with the remainder of the annual report.

Dated at Madison, Wisconsin, June 30, 2005.

For the Commission:

/s/ Gary A. Evenson

Gary A. Evenson

Administrator

Telecommunications Division

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